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## A Quality Workforce -The Key to Economic Development

Conference Report - November 1, 1990 - Helena

**CONFERENCE AGENDA** 

Keynote Address -

This publication summarizes the one-day conference addressing Montana's economy, Montana's workforce and the role of vocational education and other job training delivery systems in economic development. Direct questions or requests for more information to the Montana Council on Vocational Education, 1228 11th Ave., Helena, MT 59620, or call 406-444-2964.

## GOVERNOR DELIVERS KEYNOTE ADDRESS

Montana's Governor Stan Stephens, delivering the keynote address, stressed that a quality workforce is the key to economic development. He told the 140 educators and businessmen attending the conference that while Montana is in a global economy and the competition is intense - we have certain advantages over our competitors: abundant natural resources, a superior quality of life, and well educated and productive workers.

Governor Stephens emphasized coordination and communication between the "players" in creating economic growth and jobs is essential. He offered praise for the conference publication. Governor Stephens stated, "Vocational education, Adult Basic Education, JTPA, JOBS, Project Work Programs and apprenticeship training - all of these programs represented in what you are doing..today - that's all part of the program to make Montana a winner."

He concluded his remarks by answering the question, "Where do we go from here?" - "We go united - committed to build this state and working together to truly make Montana a better place to live, to work, and to play!"

Governor Stan Stephens

Montana's Economy in a Changing

World Bob Heffner, Mt. Dept. of
Commerce
Jim Murry, Mt. AFL-CIO
Evan Barrett, Butte Local
Development Corp.

Montana's Workforce: Projections, Trends and Employment Needs -Bob Rafferty, DOLI F.H. "Buck" Boles, Mt. Chamber of Commerce Dan Newman, Mt. AFL-CIO

Tools for Economic Development:
Montana's Delivery Systems for
Training a Quality Workforce Jim Whealon, OPI
Brady Vardemann, OCHE
Ingrid Danielson, DOLI
Dr. Wayne Stein, MSU
Jake Gustin, Adult Learning Center
Dan Miles, DOLI
Sheila Hogan, SRS

Training Tomorrow's Workforce: A
Perspective from Business, Labor,
and Industry Dr. Max Amberson, MSU
Verna Green, D.A.D. and Co.
Randle Romney, IBM

Strategies for Improving Linkages and Coordination Between Vocational Education, Job Training and Other Delivery Systems - Dr. John Hutchinson, Comm. of Higher Education Jerry Grimes, SRS Dr. Wayne Stein, MSU Gail Gray, OPI Ingrid Danielson, DOLI

Conference Summary - Where Do We Go From Here? -Sib Clack, OCHESTON Sue Mohr, MJTP, Inc.

## MONTANA'S ECONOMY IN A CHANGING WORLD

Montana's Economy in a Changing World was the subject for this panel presentation. Each speaker broadly sketched the economic changes impacting the world, the nation, and Montana, and presented strategies for overcoming obstacles to economic vitality in Montana.

In today's chaotic world economy, several trends are emerging, according to Bob Heffner, Chief Administrator, Economic Development Division, Mt. Dept. of Commerce: the coalescence of trading blocks, the fragmentation of markets, and a general increase in wealth. Con-

sequences of trends these include the customization products, volatility in commodity markets, and a century-long trend away from a natural resource-based economy to a services-based economy.

"..service industries, retail, wholesale trade, industries that serve Montana's population grew during the same period (1970-88) by 15%..."

Montana's recent economic history shows a 15 percent decrease in income in the "basic" industries, and a 15 percent increase in income in the "derivative" industries from 1970 to 1988. Other measures indicate the state's economy, although natural resource based, is no longer natural resource dependent, and is becoming increasingly diversified. Heffner sees the role of government as providing a bridge for small Montana companies--"microenterprises"--to larger markets. State and local government networks can best serve

(continued next page)

economic development by leveraging government funding and staff efforts to encourage and assist small business development in Montana.

Jim Murry, Executive Secretary, Mt. AFL-CIO, noted how economic trends have had a negative impact on Montana workers, who have seen manufacturing and extraction jobs replaced by low wage jobs in retail and service industries. He advised that Montanans must not become complacent about the hardships workers face, and must continue to reject the "get cheap" theory of economic development.

Murry cited the Corporation for Enterprise Development's (CFED) report, "New

Directions," as a spring-board for launching the "get smart and work smarter" policy in Montana. Montana workers

Montana workers make up the most literate, the most productive workforce in America."

make up the most literate and most productive workforce in America, and can be competitive in the global economy without accepting the "get cheap" approach.

Murry concluded his remarks by saying that, "..our argument has never been with the workers of other nations. Our argument is with the system that pits workers against each other. Our efforts to create innovative and progressive solutions to the workforce questions..will be worthless as long as workers continue to be pitted against each other in a global chess game. Because that global chess game has been unfair to workers, it's been unfair to Montana."

Evan Barrett, Ex. Director, Butte Economic Development Corporation, sees Montana's quality workforce as one piece of the mosaic that comprises our ability to create economic growth and activity in Montana. Barrett stated that, while Montana is not as commodity-dependent as it once was, "..we have not gone into the value adding sec-

tor significantly enough." Montana's use of the "demand side approach" to economic development will enable the state to identify, evaluate and anticipate market demands as an approach to attracting industry. "The result will be a policy that prepares an area to accommodate economic change, rather than fight it." Barrett believes that value-adding is Montana's primary economic opportunity.

Barrett stated that Montana needs a state development plan that deals with public

and private infrastructure -a plan that will keep Montana from exporting "... our commodities... our kids...our money." He reminded the audience of

"Montana needs a state development plan that deals with public and private infrastructure.." --Barrett

educators that "..what you do professionally will make (Montana's workforce) continue to be an asset, or it will stop being an asset. With your productivity in your jobs, you can make our workers something that will help Montana.."

## MONTANA'S WORKFORCE: PROJECTIONS, TRENDS AND EMPLOYMENT NEEDS

The Chief of the Montana Department of Labor and Industry's Research and Analysis Bureau, Bob Rafferty, talked about how the current and future job market is being affected both by the fact that there are fewer available workers -- and the fact that those workers need to be well trained in order to keep abreast of the technological demands of the workplace.

Rafferty said the nation as a whole will need to rely on immigrants to fill some of its jobs. Since Montana is not in the migrant stream, though, it needs to rely more on making sure that all Montana workers are well-trained for the job market. He said that

the state must make sure that youth, women and minorities are well-trained and well-utilized in the state's work force.

It's crucial, Rafferty said, that Montana maintain good grade schools, high schools, and colleges and high quality vocational education and job training programs.

F.H. "Buck" Boles, President, Mt. Chamber of Commerce, talked about the need for the business community to become involved in the education process to make sure that future workers have the skills needed Jobs are requiring employers. more and more technical skills, Boles said, and businesses benefit if they can hold onto good workers. In addition to becoming involved in the education process, he said, businesses need to keep retraining their workers as new skills are required. Moreover, businesses can avoid expensive employee turnover by offering good wages and benefits, he said.

Dan Newman, Executive Director, Montana Family Union, AFL-CIO, said that Montana will need to rely on the wit and wisdom of its workers to keep up with an everchanging technological world. Although Montana is known for a well-educated work force, Newman said, higher education levels will be required in the future.

Unfortunately, Newman said, a comprehensive approach to job training is lacking in Montana.

Newman suggested that high schools, junior colleges and vocational technical programs work together to coordinate their education efforts. After students receive an associate degree, Newman suggested, on-the-job training could provide practical work experience.

--Newman

<sup>&</sup>quot;Our forbearers, our change-of-the-century legislators...in Montana, bestowed upon us one of the finest educational systems that any state has ever had."

## Tools For Economic Development -- Montana's Delivery Systems

### Secondary Vocational Education

Secondary education, particularly secondary vocational education, is an extremely important component in supplying a quality workforce to make Montana competitive in the national and international economv. Jim Whealon, Director K-12 Vocational Education, OPI, told conference participants. Whealon also stated that a vast number of Montana workers depend on their secondary education for job skills, even those that move on to postsecondary education. He also stated that 4,000-5,000 secondary students concentrated in vocational areas and of those, a vast number will stay here in the state. According to a current survey of secondary students, the majority expected to stay in their local community and seek employment, which speaks to the importance of their secondary vocational education in the development of the state's economy.

## Postsecondary Vocational Technical Education

Brady Vardemann, Deputy Commissioner for Secondary Vocational Technical Education, stated, "The primary role of vocational technical education is to provide educational programs for adults who are preparing to enter, or advance, or change their careers, through the acquisition of technical competencies and life skills." She emphasized the important role of postsecondary education in providing a skilled, adaptable, and competent workforce which will require greater and increased coordination between all units of the higher education system. Vardemann elaborated on the coordinated system of vocational technical education in the state and the development of articulation between the postsecondary institutions and between secondary and postsecondary programs.

## Job Training Partnership Act

Ingrid Danielson, Unit Supervisor, Research, Safety and Training Division, DOLI, defined the Job Train-

ing Partnership Act Programs as, "..a federally funded program.. designed to prepare youth and unskilled adults for the labor force and provide job training for both economically disadvantaged individuals and other individuals facing serious barriers to employment.." She further stated JTPA is designed for coordination, with different interests and entities, working together to form a partnership. Danielson elaborated on the outstanding programs operating in Montana and concluded with the following statement, "..it's a long range, self sufficient kind of a goal we have that can be viewed as a goal for economic development here in the state."

#### Tribal Colleges

Dr. Wayne Stein, Director, Office of Tribal Services, MSU, identified the seven tribal colleges in Montana which he stated have adopted the "two-year philosophy of higher education" and attempt to stay "in tune" with their communities. Stein further stated all tribal colleges have a component of vocational education, some with as high as 60% of their curriculum focused on vocational education. He elaborated on the importance of these colleges in "battling" the high unemployment on reservations. He emphasized that Montana's most important resource is people and it is important to train these people and keep them in the state. He concluded by saying, "I think it behooves us as educators and policy makers and developers to somehow figure out a way to enhance the opportunities for the American Indians as well as the rest of our population."

## **Adult Basic Education**

"Adult Basic Education has been in the state for the last 24 years." according to Jake Gustin, Director, Adult Basic Education, Helena Public Schools, and he enumerated the adult education training being conducted to meet the needs of adult secondary education. Gustin stated at the end of fiscal year

1990, 6,090, under-educated adults in 23 sites in Montana were enrolled in these programs which provided them with the tools to obtain employment and pursue further training.

### Apprenticeship and Training

Dan Miles, Supervisor, Apprenticeship and Training Bureau, Research, Safety and Training Division, DOLI, defined apprenticeship as "..the oldest form of vocational education known to mankind." Miles went on to explain that apprenticeship is a combination of on-the-job training and classes to learn the theory and techniques of a particular trade. He elaborated on the programs in Montana, the team work necessary to build them, some of the problems involved, and concluded with comments regarding the importance of apprenticeship in economic development.

#### Montana JOBS Program

"The Jobs Opportunity Basic Skills Program (JOBS) is to provide the necessary employment training services to advisory recipients so they can obtain employment to obtain self-sufficiency," said Sheila Hogan, JOBS Specialist, DOLI. She explained the program, identified its contributions to Montana's economic development, and stated the success of the program is "...a parmership between the business community and employment training providers." Hogan concluded her remarks with a description of DOLI's Demonstration Partnership Program with SRS which provides technical assistance and support services for AFDC recipients going into selfemployment.

The publications, "Montana's Economy, Montana's Workforce, and Tools for Economic Development;" "Vocational Technical and Job Training Service Providers Survey Results," and "Montana Employers Survey Results," are available upon request from the Council offices.

## TRAINING TOMORROW'S WORKFORCE: A PERSPECTIVE FROM BUSINESS, LABOR, AND INDUSTRY

Dr. Amberson, Acting Dean and Director, College of Agriculture, MSU stated that changing technology will not only bring about new challenges, but also provide new opportunities for efficiencies and innovation. He pointed out that our nations future prosperity depends on energy, flexibility and creation of a well-trained workforce that is knowledgeable, innovative, efficient and dedicated to quality. Workers must possess and effectively demonstrate basic skills and competitiveness. He stated that Montana's secondary and postsecondary vocational education systems have a vital role in preparing a competent and skilled workforce. Vocational education must design and conduct state-of-the-art programs and stay current with business and industry. In this effort, Dr. Amberson suggested that vocational education establish closer working relationships with the Commerce Department and the Governor's Economic Development arm. We can only answer our

complex problems and challenges through cooperative teamwork and a coordinated over-all manpower planning effort, he pointed out.

Verna Green, Associate Vice President, stated that projections indicate the majority of new jobs by the year 2000 will be in the service area, approximately 83 percent of all jobs by the end of this decade will not require a four year college education. We should look beyond training just for Montanan's she said. In preparing a workforce, we must fully utilize telecommunications and distance learning technologies and allow flexibility in budgeting, particularly in vo-tech centers. We need to coordinate an expanded outreach effort in our higher education system and regional advisory groups are needed to assist in this effort. Continuing education and retraining programs could be offered at worksites. Courses offered through the systems outreach effort should be transferable to units of the system she said.

Randle Romney, Branch Manager, IBM, stressed the importance of vocational education in training potential employees with basic skills and competencies. By utilizing several transparencies, Romney graphically validated the critical shortage in the workforce and the economic and financial benefits for educating school dropouts and the incarcerated. To illustrate the critical shortage of trained workers, he cited the need for salespeople and systems engineers. He suggested that vocational technical and adult education work more closely with business and industry to meet their training needs. Romney summarized his presentation by stating, "I'm telling you there's a lot of opportunities out there for better skilled employees. We're spending a lot of money right now simply because we're not able to educate as many as we should. You hear you can't afford to fund education..but I'll tell vou, we can't afford not to."

#### STRATEGIES FOR IMPROVING LINKAGES . . .

The purpose of this session was to: provide an overview of linkages and coordination activities which exist between vocational education to identify strategies and procedures for improving linkages and coordination between vocational education, job training, and other delivery systems.

In general, the panelists felt that significant progress has been made between vocational education, higher education, tribal colleges, JTPA and other job training delivery systems. Presenters pointed out interactions are presented out interactions are personned as a cooperative effort between the Governor, agency personnel, and various councils. In addition, the panelists reported greater involvement in joint planning and organization at the local level. The group also offered numerous sug-

gestions for improvement. These included: articulation agreements; cross credit courses: transfer of credits between schools and institutions; participatory planning between agencies, program operators, schools and education institutions: establish task forces broadly representive of business, industry and partnerships with greater utilization of telecommunication and technology in the planning and delivery process; customized training, adopta-school program; exchange of teachers and employees; and broader representation on advisory councils.

#### **SUMMARY**

Sib Clack, Director of Federal Vocational Grants, OCHE, and Sue Mohr, Executive Director, MJTP, Inc., summarized the conference. In general, the presenters felt

that all Conference objectives were achieved. However, the final outcome could only be determined by the application and implementation by Conference participants and practitioners in the field. stated Montana has an outstanding task force and our vocational technical schools and institutions and job training delivery systems have a major impact on economic development. Opportunity was provided for participation by the audience which resulted in the following suggestions: (1) Montana needs an over-arching plan for vocational education and service delivery systems, and (2) the Conference addressed major issues that are common to the various groups represented but there must be a follow-up and a concerted effort to work more closely in preparing a dynamic and productive workforce.



